

MEXICO.

INTERESTING FROM THE RIO GRANDE.

MOVEMENTS OF GEN. SHERIDAN.

The Fight Between the Liberal Generals Canales and Cortinas.

Murders and Robberies near Brownsville—Lawless State of the Rio Grande.

Reported Liberal Reverses in the Vicinity of Monterey.

Imperial Reinforcements En Route to the City.

Mysterious Firing Across the Rio Grande from the Mexican Side.

Etc., Etc., Etc., Etc., Etc.

ARRIVAL AND DEPARTURE OF GENERALS SHERIDAN AND COMSTOCK.

SANTIAGO, TEXAS, February 12.—General Sheridan arrived here yesterday morning from New Orleans on the steamer Alabama. He immediately started for White Ranch by a special train for the purpose of consulting with General Wright. After remaining about three hours at the latter's headquarters, closely closeted with General Wright during the whole time, General Sheridan returned to Brownsville by a special train for New Orleans on the steamship Crescent. The exact nature of the interview is not as yet publicly known, but there is no doubt but that the late troubles on the Rio Grande, culminating in the capture of Brownsville, were the cause of the General's hasty visit here.

General Comstock, of General Grant's staff, arrived here the day previous on the steamer Crescent on official business, and proceeded at once to Brownsville. He remained yesterday, and leaves for New Orleans on the same steamer with General Sheridan.

The Matamoros Ranchero of the 10th inst. has the following:—

There are strong reasons to believe that the distinguished commander of the Federal forces on the Rio Grande, of the Department of Texas in fact—is disposed to hold in check the outlaws who have for three parts of a year held undisputed sway on that side of the river. Added to a mind of more than ordinary power, he has a personal character to keep him above the common pool into which too many before him fell. The victims of assassination falling thick and fast around him of the work of his predecessors, and into how dirty a state of affairs he has become, perhaps need not be related. The road before the General, however, is broad enough for him to travel without danger of marring his epaulettes. He has spoken thus far like a man of purpose; but let him do the best he can, it will only end in picking the stable after the horse has been stolen.

And the same journal says on the 8th inst.—"We mentioned yesterday that General Sheridan refused to allow a boat to leave New Orleans with engineers for Mexico. Since then we have conversed with several persons who were on board the vessel at the time she was stopped. General Sheridan gave no reason for not allowing the emigrants to leave; and only said that the women and children could go, but that the men could not."

FIGHT BETWEEN THE FORCES OF CORTINAS AND CANALES.

A fight took place a day or two ago about 20 miles above Matamoros, on the Mexican side, between the forces of the Liberal chiefs Cortinas and Canales, resulting, it is feared, in several killed and wounded on both sides. Cortinas was defeated. The full particulars of the affair have not yet reached here. Rumors, however, are plentiful. I say that the fight took place on the Mexican side, as the forces of these partisan leaders have not yet crossed the Rio Grande at pleasure. The consequence is that outrages, robbery, and even murder have been committed to an alarming extent on the American side of the frontier, as well as on the Mexican side. The Texas side of these pests, so that Americans can travel on their own soil without the danger of having their throats cut by their Mexican friends. The military authorities have determined to clear them out of the country, by organizing themselves in a body for this purpose, under the leadership of Colonel John S. Ford, formerly Rebel Commissioner of Paroles.

MURDERS NEAR BROWNVILLE.

To prove to your readers how dangerous it is to travel in this part of the country, I will relate an incident of two murders which occurred in this neighborhood during the past few days.— Nathaniel Windsor, a private of Company C, 4th Wisconsin Cavalry, and Herman Burnistier, Esq., of the well-known firm of Droey, Oelling & Co., of Matamoros, left Brownsville for Brazos Santiago; the former with despatches from General Weitzel to General Clarke in relation to the Bagdad Military Commission, the latter a witness before that Commission. These men were both well-armed, mounted, and accompanied by two men's despatches were probably the principal cause why he was waylaid, while Burnistier was evidently assassinated for booty and may be revenge.

The remains of both the poor fellows were discovered by a scout named Miller, sent out for that purpose. Windsor, the bearer of despatches, was found hanging by the neck from a tree near the road, and not more than seven miles from Brownsville. The villain who murdered him had stripped the body of all the clothing with the exception of the shirt.

Mr. Burnistier's body was found about two miles further on. It had been also hung upon a tree and stripped of everything, but through decomposition had fallen to the ground, where it burst, presenting a horrible spectacle. Both Windsor and Mr. Burnistier were mounted when they left Brownsville.

In a previous letter I stated that three United States officers were attacked and shot when only three miles from Brownsville. Captain Morcy, who was shot through the lungs, is still alive. Captain Cook is recovering. No further clue towards the discovery of the murderers has been found.

Lieutenant Lorentz, of the 11th United States Colored troops, was waylaid and robbed a few nights since in Brownsville. He fortunately escaped with his life, after being escorted half a mile beyond the town. Before the robbers left him, however, they cut off his shoulder-strap.— New York Herald.

The Great Railroad Controversy.

Decision in Favor of the Pennsylvania Railroad Company.

Important Opinion by Justice Read.

SUPREME COURT AT NISI PRIUS IN EQUITY—Justice Read.—The Philadelphia and Erie Railroad Company and the Pennsylvania Railroad Company vs. The Catawissa Railroad Company, the Atlantic and Great Western Railroad Company, and the Philadelphia and Reading Railroad Company. This morning Justice Read delivered the opinion in the above case, which on its argument was very fully reported in our columns. The magnitude of the question involved, and the importance of the great interests at stake, both to our citizens and to the city itself, have created a feeling of deep interest, and the general importance of the cause itself, as well as the learning and ability of the counsel engaged in discussion, have everywhere attracted attention to it. For the Philadelphia and Erie and the Pennsylvania Railroad Companies Theodore Cuyler and Chas. Gibbons, Esqs., appeared, while the companies defendant were represented by Hon. Jeremiah S. Black, Hon. Robert J. Walker, George W. Biddle, Esq., Alexander Henry, Esq., George M. Wharton, Esq., Judge Church, W. Hayward Drayton, and Franklin O. Gowen, Esqs.

The decision of the Court is in favor of the complainant, and the opinion is as follows:—

SUPREME COURT OF PENNSYLVANIA IN AND FOR THE EASTERN DISTRICT, JANUARY TERM, 1866. In equity.—The Philadelphia and Erie Railroad Company and the Pennsylvania Railroad Company vs. The Catawissa Railroad Company and The Western Central Railroad Company of Pennsylvania, and The Atlantic and Great Western Railroad Company of the State of Ohio, New York and Pennsylvania. Andrew Scott vs. the same. Read, J.

The real question in this case is whether the railroads of the Atlantic and Great Western and the Philadelphia and Erie Railroad Company are connecting roads within the meaning of the Acts of Assembly of the 13th March, 1847, the 29th March, 1859, and the 23d April, 1861; for, if they are such connecting roads, then the first-named road is to be deemed a part of the Philadelphia and Erie Railroad, which is unquestionably directly connected with the road of the Philadelphia and Erie Railroad Company.

The road of the Atlantic and Great Western intersects the Philadelphia and Erie Road at Cory, in the county of Erie. Does it connect as well as intersect? The one has a gauge of six feet, and the other of four feet eight and a half inches. The one runs across the Erie, and by its crossing it increases the cost of the road, and the iron used for that purpose on a double track road would yield a third track for the road, which, on some roads, must soon be done in that country, to accommodate the increasing traffic. It is a question whether there shall not be separate tracks for passengers and for goods and mineral traffic, classed by us as freight.

Whenever this becomes necessary then the superior advantages of the uniform narrow gauge will be self-evident in the diminished weight of roadway, of bridges, embankments, deep cuttings and tunnels, and the decreased cost of foundation, superstructure, and of the rolling stock of the railroad.

More than twenty years ago an exceptional gauge of five feet had been introduced on one road, but when it reached a narrow gauge road the inconvenience of breaking of gauge was found, and its entire abandonment was the result. The rolling stock of 56 inches, saying, "The locomotive of 1836; for all the purposes for which railroads can be wanted there is additional weight, and it is much heavier, and more than can ever be commercially beneficial. A boy may now with facility clean an engine in an hour, which would formerly take a man a day. Another eminent engineer says, "The narrow gauge is to have a railway, rather than to show that it is not wise to make these railways of very large dimensions, and particularly with reference to extension by branches to every town and every village."

Unfortunately for the Great Western these warnings of experienced engineers had no effect upon Mr. Brunel, a man of magnificent ideas, according to their published reports, have not been greatly in a pecuniary point of view, for their persistent determination to retain possession of the coast of England by their exceptional gauge, and to separate themselves from the general railway system of the country. They have, however, been forced at last to change the possibility of sustaining this contest without an entire cessation of dividends, to become the virtual proprietors of narrow gauge roads, and introduce the mixed gauge upon large portions of their line. "The Great Western," says a leading Railway Journal, "is now as such a narrow as a broad gauge railway. The Great Western own at present not only considerable lengths of purely narrow gauge railway, but they have the narrow inside the broad, forming a mixed gauge on a large portion of their system." They have nearly as many narrow gauge as broad engines, and they are adding to the narrow gauge engines in proportion of three to one of the broad. The narrow gauge carriages and wagons far outnumber the broad gauge, and the narrow gauge carriages and wagons were increased in 1854 in the proportion of 924 to 11 of broad gauge; and the advice tendered to them by the same journal was gradually to change the railway into a narrow gauge road by the introduction of the third rail, and not renewing the outer rail or the broad gauge, but let them gradually wear out. The narrow gauge is greatly preferable for goods and passengers, and, nearly, if not equal, for passenger traffic.

The Journal also advised a suspension of dividends for three or four half years, as an economical method of providing money, and at the sixth meeting, in November, 1855, the last dividend declared was one per cent, and the stock in December was quoted at 61. I have annexed to this opinion extracts from the proceedings of that meeting, and from the Railway Journal.

The Journal part of the Great Western terminates at Milford Haven, the point selected by one of the learned counsel for the defendant as the eastern terminus of the proposed steamship line from this port. The Board Wales line fulfills the best steam and fair sailing route in relation to which the Chairman of the Great

Western Company said to the shareholders, "The main line from South Wales, especially in steam coal, was largely diminished by the sudden cessation of the demand for blockaded-runners."

It is, therefore, the indisputable result of British experience, that the narrow gauge is preferable to the broad gauge, not only on the score of commercial convenience, but for its superior economy in making and working; second, that that there should be an entirely uniform gauge over the whole railway system of the country; and third, that there should, of course, be no break of gauge.

In a State like Pennsylvania, crossed and interspersed by chains of hills and mountains, where the passes are low and narrow, there can be no doubt that the only permissible gauge should be the uniform narrow gauge of four feet eight and a half inches, originally fixed and adopted by the State upon the Pennsylvania Railroad, which, in 1825, the Pennsylvania Railroad, the Philadelphia and Erie, Northern Central, Catawissa, Philadelphia and Reading, Lebanon Valley, North Pennsylvania, Philadelphia, Wilmington, and Baltimore, Germantown, and Philadelphia, the Erie Canal, Roads, all leading to and connected with the city of Philadelphia, now covering 130 square miles of territory, with a population of more than 500,000 souls.

The act of New York in 1824 had nearly completed their canal from Lake Erie to the Hudson, which, with the Northern Canal, connecting Lake Champlain with the same river, had formed their system of State internal improvements. In 1826 a company was incorporated to construct a railway from Schenectady to Albany, and other companies were chartered from 1833 to 1836 to form connecting roads, which in 1851 were consolidated and formed the New York and Erie Railroad Company, consisting of five persons, was appointed, and the law authorizing the first board was repealed. By this second act the routes to be examined to the north and west of the city of Philadelphia, and both the Western routes extended to Lake Erie, so as to connect its waters with those of the Delaware. Out of this grew our system of State internal improvement by canal and stock-raising, and a new law necessary to substitute a railroad for a canal between the Schuylkill and the Susquehanna, and the Portage road for the Allegheny tunnel.

Our mistake was in supposing that because New York had constructed a continuous canal, through the Allegheny, during a period when the price of labor was low, that we could effect the same object at a similar expense in a State crossed by ranges of mountains, and with a currency gradually expanding, and of course with a high level of prices. The result was imperfect was the communication between Philadelphia and Pittsburgh, that in 1846, the Pennsylvania Railroad was incorporated to construct a railway from Harrisburg to Pittsburgh, and was soon found to be a better route than the Columbia Roads, a continuous railway between these two points.

To the stock of this road what is now the city of Philadelphia subscribed five millions of dollars, and the Allegheny and Erie Railroad, the citizens of Philadelphia (business men and operatives depending upon their daily labor for support) subscribed the balance that was then deemed necessary to make the road. It was, in consequence, a public enterprise, and a public necessity for its business connections with the interior and the West, and it was undertaken at a period when we were just beginning to recover from one of those financial colic periods to which we have been periodically subjected.

By the purchase of the main line of the public works from the State in 1850, this company became the owners of the entire route from Philadelphia to Pittsburgh, and the Allegheny and Erie, and completed a double track, first-class road, connecting the waters of the Ohio with those of the Delaware.

The tracks on the Columbia Railroad were moved further apart, so as to admit wider cars, and the entire route of this road, and of the Reading road, that the two tracks were brought too close together. The Harrisburg Road was improved; and the Portage Road and all inclined planes and stationary engines were reconstructed.

It connects with Cincinnati by the Steubenville route, crossing the Ohio by one of the most extensive and magnificent iron bridges in the world; and by other roads with Cleveland, Cincinnati, St. Louis, and the great West. The great trade of the West passes into the two great cities of the State, Pittsburgh and Philadelphia, and thence by the connecting railway now building, the Philadelphia and Trenton, to New York and New York, without any transshipment whatever.

During the late Rebellion the Pennsylvania Railroad became the great route for the transportation of troops and munitions, and from Harrisburg to New York, and from Philadelphia to Baltimore, or Pittsburgh, accommodations and cars for the transportation of an army of 60,000 men from one point to the other in twenty-four hours, with all their equipments and munitions of war.

I believe this to be correct, for in 1862 (and their capacity is now greatly increased) it was ascertained by the agent of the Camden and Amboy Company, that they could transport from Philadelphia to New York in twenty-four hours, by their roads and canal, an army of 100,000 men, with all their equipments and munitions of war. They were never called upon to transport more than 100,000 men in one day, and this was done in ten days, or even days, without interrupting their ordinary travel.

Besides the transportation of the heavy guns manufactured at Fort Pitt works, they carried the big 24-inch gun, twenty-five feet long, weighing 116,000 pounds, and throwing a solid shot of 1000 pounds, on cars specially constructed for the purpose by the Pennsylvania Railroad Company, over their road to Harrisburg (248 miles), and thence by their Lebanon Valley, East Pennsylvania, Lehigh Valley, and New Jersey Central Roads to Elizabethport, New Jersey, a total distance of 419 miles, without change or transshipment, or break of gauge.

For the Main Line the company gave the State \$7,500,000, which was increased in 1851 by the commutation for the tonnage tax, and they increased the annual payments to \$460,000, which would extinguish the whole debt in 1890. The amount still due the State is \$7,700,000, secured by a first mortgage on the original subscription. The city of Philadelphia holds 103,342 shares, equal at par to \$5,167,000, being \$167,000 more than her original investment, besides having received \$2,550,000 in cash, or its equivalent, for the purchase of the original subscription. Every original stockholder who is still one, has always received six per cent. interest for his money, besides the ordinary and extra dividends above that percentage.

The improvements already made and which are still progressing on the west bank of the Schuylkill, the Junction Road, the iron bridge over the Schuylkill, the grain elevator, and the wharves on the Delaware, attest the public spirit and enterprise of a company which has added so largely to the wealth and prosperity of my native city.

The city of Philadelphia has a money interest in this road of \$5,167,000, and the State of Pennsylvania of \$6,700,000, making a total of \$11,867,000.

The Sunbury and Erie Railroad Company was

incorporated by an act of Assembly of the 3d of April, 1837, to survey and lay a route for a railway from Sunbury, by the way of Northumberland and Williamsport, to the harbor of Erie. In 1838 and 1839 an exploration and survey were made by it, and in 1851 the Eastern and Western Divisions of the road were again surveyed; and in 1852 a great effort was made to infuse vitality into the corporation.

Under the provisions of an act of 3d March, 1852, an attempt was made by the company to extend their route to Harrisburg, which was defeated by a decision of the Supreme Court, showing a prior right in what is now the Northern Central Railroad Company (Packer vs. Sunbury and Erie Railroad Company, 8 Norris, 216).

Under an act of the 14th February, 1853, the same year, authorizing municipal and other corporations to subscribe to its stock, subscriptions were sought from Philadelphia and Erie, and other counties and boroughs on the route of the road, and upon a favorable report from the Committee of Councils who visited Erie, the City of Philadelphia subscribed two millions of dollars. The District of Richmond subscribed \$250,000, which, upon consolidation, merged into that of the City. The County of Berks subscribed \$200,000, and the City of Erie \$300,000, and these, with some individual subscriptions, formed the capital on which operations were commenced, and in 1856 a very able Board of directors was appointed, and upwards of two hundred miles under contract.

By an act of 21st of April, 1858, the State sold to the Sunbury and Erie Railroad Company, for \$3,500,000, all the public works of the Commonwealth remaining unsold upon certain terms, which act the Supreme Court decided to be constitutional. (Sunbury and Erie Railroad Company vs. Cooper, 5 Casey, 278.)

By the acts of 13th April, 1860, and of March, 1861, the indebtedness to the Commonwealth was substantially changed into a second mortgage, for four millions of dollars were deposited in the State sinking-fund, the name of the Company was changed to the Philadelphia and Erie Railroad Company, and they were authorized to contract with any other railroad company in the State in relation to the completion and working of the road.

Accordingly, on the 31st of January, 1862, a contract, and a lease and contract, were entered into between the Philadelphia and Erie Railroad Company and the Pennsylvania Railroad Company, by which the first-named Company leased their road to the second-named Company for the term of nine hundred and ninety-nine years. The whole subject is admirably explained in the opinion of my brother Strong, in Gratz vs. the two companies, 5 Wright, 447, affirming the constitutionality of the act of March, 1861, and the validity of the contracts by the two companies.

The trains commenced running through on the 17th October, 1864, although the road was incomplete in its equipments. These two roads therefore have carried out by later contracts the original intentions of the framers of the act of 1852, to connect the city of Philadelphia with Pittsburgh and Lake Erie by the main line and west branch canals.

The State has four millions of dollars, the City of Philadelphia two million two hundred and fifty thousand dollars, and the city and county of Erie five hundred thousand dollars, and both roads are Pennsylvania enterprises, pouring the trade and commerce of the West directly into the lap of the commercial metropolis of the State.

The Central Railroad of New York, from Albany to Buffalo, has 4 feet 8 inches gauge, and I believe the roads north of it, and east of it, in this State, including the New England States, have the same uniform gauge, with the exception of the road from Portland, joining the Grand Trunk of Canada, which has the Canadian gauge of 5 feet 6 inches.

The ordinary gauge in New Jersey is 4 feet 10 inches, but the New Jersey Central has the 4 feet 8-inch gauge, with a third rail to accommodate the Delaware, Lackawanna, and Western. By improvement in machinery the ordinary gauge narrow gauge can run upon the New Jersey roads.

The New York and Erie Road was planned as far back as 1832, and the purpose was to construct a road from New York to Erie, and Erie to the great West, and the company was restricted from connecting with any railroad either of the State of Pennsylvania or New Jersey, or leading into either of the said States, until the contract with New Jersey Railroad Companies, sanctioned by the Legislature of that State, they were enabled to secure a terminus on the west bank of the Hudson, at Jersey City.

In all these agreements it is expressly stated that the object of laying one rail on each side of the present tracks of the road of the New Jersey Railroad and Transportation Company, so as to form in conjunction with one rail of each track, two tracks of five feet wide, for the purpose of running the cars and engines of the said Company from their road at Sufferns, across New Jersey, until at or near the Hudson river at Jersey City, without change, delay, or obstruction.

Under a decree of foreclosure of a mortgage executed by the said company, a sale sanctioned by acts of the Legislatures of New York, New Jersey, and Pennsylvania, all the property and franchises of the New York and Erie Railroad Company became vested in the present Erie Railroad Company.

The gauge of this road is six feet, an exceptional one not used in England nor in Canada, and in very few instances in the United States. It occupied the whole southern line of the State of New York, and no road north or south of it, whether in New York, New Jersey, or Pennsylvania, could mechanically connect with it, except one of the same gauge; thus practically refusing all such connection with all the roads previously constructed in those States. Instead, therefore, of the New York Central connecting by any intervening road with the Erie, they are entirely disconnected, for the cars and engines of one road cannot run upon the other.

The Erie Road is, therefore, an aggressive road, preventing all communication with and through it of the roads on each side, which can only be effected by a break of gauge, and a transshipment at Rochester, which would be entirely unnecessary if all the roads of the State were narrow gauge roads, and entire uniformity of gauge had prevailed. In England the New York Central has been compared to the London and North Western Railway, and the Erie to the Great Western, the effects of whose broad-gauge policy we have already seen.

The effect of this has been to make our coal roads, for which the narrow gauge is peculiarly fitted) connecting with it, such as the Bloomsburg and Delaware, Lackawanna, and Western, expensive roads of six feet gauge, with a correspondingly expensive rolling stock and equipments.

Under these distinct charters from the States of New York, Pennsylvania, and Ohio, the main line of the Atlantic and Great Western commenced at a junction with the Erie Railway at Salamanca, 414 miles from New York, and runs in a southwesterly direction 383 miles to Dayton, Ohio. I have not been furnished with the New York charter, and only with the third section of the Ohio charter, and I have not the dates of either, and I do not know their provisions. The charter of the Atlantic and Great Western Railroad Company of Pennsylvania, is to be found in four Acts of Assembly, of 20th May, 1857, (P. L. 801); 15th June, 1858, (P. L. 809); 10th November, 1859, (P. L. 125); and 22d March, 1865, (P. L. 640); and the length of the road in this State is 63 miles.

The main line (which is a single-line) at Dayton connects with the Erie Railway, and runs a narrow gauge road, which has put down a broad gauge "straddle" track (rails on either side of narrow gauge rails), to accommodate the Atlantic and Great Western traffic. It there joins the Ohio and Mississippi Railroad (broad gauge), terminating at St. Louis.

In the report of Mr. Forbes (who was sent to this country to inspect the road) to the London Board of Control of the Atlantic and Great Western, 1856, p. 10, 109, 110, November, 1859, he says:—"By means of the three associated Companies, the New York and Erie, the Atlantic and Great Western, and the Ohio and Mississippi, a new and unbroken communication, 1200 miles in length, of the broad gauge, has been opened between New York, Cincinnati, and St. Louis, and between the Atlantic seaboard and the Ohio and Mississippi rivers."

Amongst the branches of the main line, as appears by the New York charter, is a branch, under a separate corporation called the Buffalo Extension of the Atlantic and Great Western Railway Company, who are constructing a road from Randolph, near Salamanca, to Buffalo, a distance of 100 miles.

(London Board of Control.) The Atlantic and Great Western being built by English capital and controlled in London, it was stated at the same meeting of bond and shareholders in November, 1856, by the President of the London Board of Control, "We are met here to day for friendly explanations."

"I let it my duty when I took the position of Chairman of the London Board of Control to require certain things to be done. The first was that all money should be sent over to London, that we might know what we earned, that is, forty per cent. of the receipts." It is not, therefore, singular that the principal information as to this road is to be gleaned from English railway literature. The road is the great artery of the Erie with great additional traffic to New York, and it is said "under the circumstances it is not surprising to learn that the Erie Company, which will doubtless derive a great benefit from the Atlantic and Great Western, has organized a supply rolling stock to the amount of five millions of dollars for the purpose of the through traffic between New York and Cincinnati," and this engagement "is being faithfully and energetically carried out by the Erie Company, and the road is said to be 'promoted by a number of leading Englishmen.' A technical term in England designating the planners or originators of a company."

In addition to the report of Mr. Forbes to the London Board of Control, there was also a detailed report on the 29th of May last by Mr. Moseley, an English Engineer, sent out to inspect the road.

An enthusiastic gentleman at the November meeting said:—"It was the interest of every gentleman in the room to promote emigration to the West upon a very large scale, as their traffic would be increased by addition to the population. The more English people went over there, the better for the people in the great West; would understand how necessary a free trade was to their advantage and development. Every Englishman was a missionary of Free Trade."

The Ohio Atlantic and Great Western Company, at a meeting of their Stockholders on the 19th September, 1865, adopted the joint consolidation movement, the same was done the same day by the Pennsylvania Company, and the two companies were united, and on the 14th and 16th of the same month.

Certificates were produced from the Secretaries of State of the States of Ohio and New York, of the filing of the agreement or a copy in their respective offices, by the Secretary of the Commonwealth of this State, but in lieu thereof a letter from him declining to file it, adding, "by the advice of the Attorney-General, Mr. Meredith, and I have therefore no evidence of the existence of any corporation. The necessity of the filing to create the new corporation is distinctly recognized in the certificate of agreement of consolidation itself."

The act of the State of Ohio is entitled, "An Act to authorize the Consolidation of Railroad Companies of States adjoining certain States, and to authorize Railroad Companies in this State to extend their roads into adjoining States," and was passed 10th April, 1866 (53 vol. Laws, p. 141).

The act authorized any railroad company in the State whose line of road extended to the boundary line of the State, or to any point either in or out of this State, to consolidate its capital stock with the stock of any railroad in an adjoining State, the line of whose road crossed "to the same point and where the several roads so unite as to form a continuous line for the passage of cars: Provided that roads running to the bank of any river which is not bridged shall be held to be continuous therewith. This act would authorize a consolidation with a Pennsylvania road, but not with a New York road.

Our act which was the subject of an unpleasant investigation, which has cost a shade of suspicion over it, was passed at the instance of the Atlantic and Great Western, and is a general law applicable to all companies embraced within its terms. There are words omitted in its first section which make nonsense of it; but supposing it to mean the consolidation of the capital stock of a Pennsylvania Railroad Company with similar companies in other States, "whenever the two or more railroads of the companies or corporations so to be consolidated shall form a continuous line of railroad with each other, or by means of any intervening railroad. Provided, That railroads terminating on the banks of any river which are, or may be connected by ferry or otherwise, shall be deemed continuous therewith. The intention of 'an intervening railroad' was intended to include the Buffalo Extension.

This act would authorize consolidation with the Ohio and New York companies, if the following proviso, completely unnecessary, were general laws by the States taking advantage of it, was complied with:—"And provided further, That nothing in this act contained, shall be taken to authorize the consolidation of any company or corporation of this State with any other State whose laws shall not authorize the like consolidation."

I can have no doubt of the intention of the Legislature who were dealing with our sister States upon terms of entire reciprocity. Our act was passed 24th March, 1865 (P. Laws, p. 49).

On the 29th April, 1865, the Legislature of New York passed, not a general law, but a private special act to authorize the consolidation of the Atlantic and Great Western Railroad Company in New York, and the Buffalo Extension of the Atlantic and Great Western Railway Company with certain other Railroad companies.

This act is expressly confined to the merger of the two New York companies, and although the States are general as to the companies in other States with whom they may consolidate, yet the description of their forming a continuous line of railroad fits only the two roads of the same name in Pennsylvania and Ohio, which, with the New York road, form the main line of the Atlantic and Great Western Railway, which the New York act our general law is degraded into a private

[Continued on the Eighth Page.]